

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-10 LAB-04
NSAE-00 SIL-01 DODE-00 PM-05 H-02 L-03 NSC-05
PA-02 SP-02 SS-15 ICA-20 IO-14 ACDA-12 TRSE-00
OMB-01 /117 W
-----073065 221207Z /50

R 221023Z AUG 78
FM USMISSION USBERLIN
TO AMEMBASSY BONN
SECSTATE WASHDC 7523
INFO AMCONSUL BREMEN
AMCONSUL DUESSELDORF
AMCONSUL FRANKFURT
AMCONSUL HAMBURG
AMCONSUL MUNICH
AMCONSUL STUTTGART

UNCLAS USBERLIN 1981

DEPARTMENT PLEASE PASS DEPARTMENT OF LABOR I/LAB

E.O. 11652: N/A
TAGS: ELAB, WB
SUBJECT: BERLIN CONSTRUCTION STRIKE RESOLVED

REF: USBERLIN 1846

SUMMARY: ON AUGUST 16, EXACTLY TWO WEEKS AFTER STRIKE BEGAN (REFTEL)
BERLIN'S CONSTRUCTION WORKERS RETURNED TO THEIR JOBS. SETTLEMENT
WAS REACHED FOLLOWING THE INTERVENTION OF BERLIN'S SENATOR FOR
HOUSING AND BUILDING, HARRY RISTOCK, WHO AS AN UNOFFICIAL ARBITER
HELPED WORK OUT ACCEPTABLE COMPROMISE. END SUMMARY.

1. ON AUGUST 16, WERNER KOCH, CHAIRMAN OF THE BERLIN CONSTRUCTION
WORKERS UNION, IG BAU, STEIN, ERDEN (BSE), ANNOUNCED UNION ACCEPTANCE
OF A COMPROMISE SOLUTION ENDING BERLIN'S TWO WEEK OLD BUILDING STRIKE.
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THE COMPROMISE HAD BEEN DEVELOPED AUGUST 10 AT A MEETING BETWEEN
EMPLOYER AND UNION REPRESENTATIVES AT WHICH SENATOR FOR HOUSING AND
CONSTRUCTION, HARRY RISTOCK, PLAYED AN INSTRUMENTAL ROLE AS AN ARBITER.

ALTHOUGH KOCH TERMED THE COMPROMISE TO BE A FAIR AND ACCEPTABLE
SOLUTION IT WAS CLEAR THAT IT DID NOT HAVE VERY GREAT SUPPORT

FROM THE RANK AND FILE. ONLY 47 PERCENT OF THOSE PARTICIPATING IN THE VOTE WHETHER TO ACCEPT THE COMPROMISE PROPOSALS FAVORED IT. HOWEVER, UNDER THE EXISTING STRIKE SETTLEMENT RULES APPLICABLE IN BERLIN'S CONSTRUCTION INDUSTRY, ONLY 25 PERCENT OF THOSE VOTING WERE REQUIRED TO VOTE IN FAVOR OF AN ARBITRATED SOLUTION FOR IT TO TAKE EFFECT.

2. UNDER THE COMPROMISE SETTLEMENT BERLIN'S CONSTRUCTION WORKERS WILL BE COVERED BY THE TERMS OF THE FRG SKELETAL AGREEMENT (RAHMENTARIF) AND WILL RECEIVE LUMP SUM PAYMENTS RANGING BETWEEN DM 150 TO DM 300 TO COVER THE LATE ENTRY INTO FORCE OF THE ENTIRE COLLECTIVE BARGAINING AGREEMENT. IN ADDITION, BERLIN'S CONSTRUCTION WORKERS WILL RECEIVE FOR THE FIRST TIME AN "ON SITE" WORK BONUS (WEGKOSTENERSTATTUNG) OF DM 3 PER DAY. THIS WAS ONE OF THE MAJOR STICKING POINTS WHICH HAD PROMPTED THE STRIKE: EMPLOYERS HAD ARGUED THERE WAS NO NEED TO PAY WORKERS EXTRA FUNDS TO TRAVEL TO CONSTRUCTION SITES SINCE DISTANCES IN BERLIN WERE NOT GREAT; THE UNIONS ARGUED THE EXTRA PAY WAS WARRANTED TO COVER THE EXTRA COST OF MEALS AND THE LIKE WHICH WERE NOT AVAILABLE AS REASONABLY ON OR NEAR CONSTRUCTION SITES AS IN COMPANY CANTEENS.

3. BOTH PARTIES AGREED THAT THE COMPROMISE SOLUTION WHICH SETTLED THE DISPUTE WOULD NOT HAVE BEEN REACHED WITHOUT THE INTERMEDIARY EFFORTS OF SENATOR FOR BUILDING AND HOUSING, HARRY RISTOCK (WHO IS KNOWN TO BE THE "DARLING" OF BERLIN'S CONSTRUCTION WORKERS
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UNION).

4. COMMENT: THE EFFECTS OF THE STRIKE AND THE NEW TARIFF AGREEMENT WILL BE FELT CLEARLY IN THE FUTURE. IT IS ESTIMATED THAT THE TWO-WEEK STRIKE ALREADY COST DM 27.5 MILLION: THE UNION PAID DM 2.5 MILLION IN STRIKE MONEY TO ITS MEMBERS, AND INDUSTRY SUFFERED A LOSS OF DM 25 MILLION IN LOST WORKHOURS. IN ADDITION, INDUSTRIALISTS WARNED THEY DID NOT HAVE THE FUNDS TO MEET THE REQUIREMENTS OF THE NEW TARIFF AGREEMENT, SO IT IS FEARED THAT ADDITIONAL PRICE INCREASES WILL TAKE PLACE - AND IN TURN WILL NEGATIVELY AFFECT CONSTRUCTION LEVELS IN BERLIN. NELSON

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Copy: SINGLE
Draft Date: 22 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978USBERL01981
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
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Film Number: D780343-0016
Format: TEL
From: USBERLIN
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780835/aaaabdis.tel
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Litigation Codes:
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